

INFORMATIONAL HEARING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)	
)	
Application for Certification)	Docket No.
of the Malburg Generating)	01-AFC-25
Station by the City of Vernon)	
_____)	

VERNON CITY HALL
CITY COUNCIL CHAMBERS
4305 SANTA FE AVENUE
VERNON, CALIFORNIA 90058

MONDAY, JULY 1, 2002

6:30 p.m.

Reported by:
James A. Ramos
Contract No. 170-01-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMITTEE MEMBERS PRESENT

James D. Boyd, Presiding Member

HEARING OFFICER, ADVISORS PRESENT

Susan Gefter, Hearing Officer

David Ashuckian, Advisor to Commissioner Boyd

Ellen Townsend-Hugh, Advisor to Commissioner
Pernell

STAFF AND CONSULTANTS PRESENT

Bill Westerfield, Legal Counsel

William Pfanner, Siting Project Manager

Joseph M. Loyer

Dale Edwards

PUBLIC ADVISER

Roberta Mendonca

APPLICANT

Eric T. Fresch, Legal Counsel

Eduardo Olivo, City Attorney

Ramon Z. Abueg, Assistant Director of Engineering
and operations

Kevin Wilson, Director of Community Services and
Water

Lewis J. Pozzebon, Director, Health Officer

Steven E. Parker, Fire Chief

Bruce W. Olson, Chief of Police
City of Vernon

Krishna Nand, PhD, Associate

Jay E. Officer, Scientific Manager

Kelvin Lu, Senior Air Quality Specialist
Parsons

Kelvin L. Moore, Senior Process Engineer
Carter-Burgess

ALSO PRESENT

John Yee
Jackson Yoong
Chandrashekhar S. Bhatt
South Coast Air Quality Management District

Mark Tetteimer
Central Basin Municipal Water District

Robert Cabrales
Communities for a Better Environment

Brendan P. Brady, Attorney
Brady, Riggs and Ford

Dale Edwards

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P R O C E E D I N G S

6:30 p.m.

PRESIDING MEMBER BOYD: Good evening,
ladies and gentlemen. I think we can get this
hearing starting.

I'm Commissioner Jim Boyd of the
California Energy Commission and I want to welcome
you all to this informational hearing on the
Malburg Generating Station proposal by the City of
Vernon.

I want to thank the City for their
courtesy and hospitality in providing us this
facility, a little snack before our tour. I know
the bus driver was doing all he could to get the
air conditioning going, or she could, but it's
nice to get back in this building, anyway.

Perhaps as most or many of you know the
California Energy Commission is the state agency
that reviews applicants for power plants such as
your Malburg project.

The Commission assigns two Commissioners
as a Siting Committee for each and every project.
I am the Presiding Commissioner for this hearing,
and I am joined on this project by Commissioner
Robert Pernell, who could not be with us here

1 tonight. But we'll see Robert in future hearings.

2 However, his Advisor, Ellie Townsend-
3 Huff, is with us here tonight, to the immediate
4 left of Ms. Gefter. And my Advisor, David
5 Ashuckian, is to my right.

6 Also with me up here is Susan Gefter,
7 who is the Hearing Officer who conducts the
8 proceedings and provides legal advice to the
9 Siting Committee. And to whom I will gratefully
10 and gratifyingly turn over the microphone in a few
11 short minutes.

12 I want to -- well, I can't introduce our
13 Public Adviser because she's -- here she comes
14 through the door now. This is the Commission's
15 Public Adviser, Roberta Mendonca.

16 MS. MENDONCA: Thank you very much.

17 PRESIDING MEMBER BOYD: Later in the
18 hearing she's going to explain how the public can
19 obtain information about the project; about how we
20 review the process; how they can participate in
21 the review process.

22 Also we provide official transcripts of
23 all Committee-sponsored proceedings. And as you
24 can see at the end of the table, our court
25 reporter is here to transcribe the proceedings

1 tonight. And the official transcript of this
2 hearing will be posted on the Commission's
3 website.

4 The City of Vernon has filed an
5 application with our Commission to obtain a
6 license to build the proposed Malburg Generating
7 Station. Vernon has requested an expedited review
8 of the application under the Commission's so-
9 called six-month review process.

10 And the purpose of this hearing tonight
11 is to discuss the expedited licensing process, and
12 to identify issues of concern related to project
13 development.

14 Now, before we begin with much of our
15 explanation I'd like to get on the record, as is
16 our custom, introductions of all the involved
17 parties tonight. And so if I might first get the
18 representatives of the applicant to introduce
19 themselves, please. Ramon, would you like to
20 start?

21 MR. ABUEG: I'm Ramon Abueg. I'm the
22 Project Manager for the Malburg Generating Station
23 project.

24 MR. FRESCH: I'm Eric Fresch; I'm the
25 Legal Counsel of the Utilities Department.

1 MR. MOORE: I'm Kelvin Moore; I'm with
2 Carter and Burgess, and I'm working as a
3 consultant for the City.

4 DR. NAND: Krishna Nand. I work with
5 Parsons. I'm the Project Manager for the
6 environmental documentation.

7 MR. OFFICER: My name's Jay Officer; I'm
8 also with Parsons, and I specialize in water
9 resources.

10 PRESIDING MEMBER BOYD: Thank you. If
11 that does it for the applicant I'd like the staff
12 of the Energy Commission, starting out with our
13 Project Manager, to introduce themselves.

14 MR. PFANNER: Bill Pfanner, Project
15 Manager for the Siting Division.

16 PRESIDING MEMBER BOYD: Do we have a
17 legal representative here tonight?

18 MR. WESTERFIELD: Yes, I'm Bill
19 Westerfield with the Counsel's Office at the
20 California Energy Commission.

21 PRESIDING MEMBER BOYD: Thank you. Now
22 at this moment I have no intervenors who have
23 signed up on my list, but if there are any formal
24 intervenors, now would be the appropriate time to
25 at least introduce yourselves.

1 Okay. Now, the agencies with the City
2 and local governments who are involved in this
3 project. Any from the City of Vernon who haven't
4 been introduced? Just come up to the podium if
5 you would, get the microphone on record.

6 MR. POZZEBON: My name's Lewis Pozzebon;
7 I'm the Director of the City of Vernon Health
8 Department.

9 PRESIDING MEMBER BOYD: Thank you.

10 MR. WILSON: I'm Kevin Wilson; I'm the
11 Director of Community Services and Water for the
12 City of Vernon.

13 PRESIDING MEMBER BOYD: Thank you.

14 CHIEF PARKER: I'm Steven Parker, Fire
15 Chief for the City of Vernon.

16 PRESIDING MEMBER BOYD: Thank you,
17 Chief.

18 CHIEF OLSON: Bruce Olson, Police Chief,
19 City of Vernon.

20 PRESIDING MEMBER BOYD: Thank you,
21 Chief.

22 MR. OLIVO: Eduardo Olivo, City Attorney
23 for the City of Vernon.

24 PRESIDING MEMBER BOYD: Thank you. Now,
25 are there any other neighboring city

1 representatives here who would like to introduce
2 themselves? Any representatives of any other
3 local government agencies, South Coast District,
4 schools, et cetera? Okay.

5 There are.

6 MR. YOONG: Jackson Yoong with South
7 Coast AQMD. My colleagues, John Yee and Chandra
8 Bhatt.

9 PRESIDING MEMBER BOYD: Thank you.

10 MR. TETTEMER: Mark Tettemer from
11 Central Basin Municipal Water District.

12 PRESIDING MEMBER BOYD: Thank you. Now
13 are there any other members of the public,
14 community organizations or what-have-you who'd
15 like to introduce themselves?

16 MR. CABRALES: Robert Cabrales,
17 Communities for a Better Environment.

18 PRESIDING MEMBER BOYD: Thank you. Is
19 there anyone here from the City of Huntington
20 Park? We had a notation on the agenda there would
21 be representation. Guess not, thank you.

22 Now, are there any elected officials of
23 this City or adjacent cities who would like to
24 introduce themselves or who plan to say anything
25 later in the program? We afford you an early

1 opportunity.

2 Seeing none, we'll move on. Let me give
3 a little background, and then I'm going to turn
4 this over to Ms. Gefter.

5 The Energy Commission accepted the
6 application for the Malburg Generating Station on
7 the 8th of May of this year. And we did accept it
8 under the six-month process that is described in
9 section 25550 of the California Public Resources
10 Code.

11 This law allows the Commission to
12 accelerate the licensing process to meet the
13 state's burgeoning energy demand. The Malburg
14 project consists of a 134 megawatt combined cycle
15 facility that is hoped to be operational by the
16 year 2004.

17 Just a short time ago, of course, we
18 toured the proposed site, as previously scheduled
19 in the notice of hearing, for this evening's
20 event. The notice was mailed by our Commission on
21 the 3rd of June to all parties, to adjoining
22 landowners, to interested government agencies and
23 other individuals in the Vernon area. And in
24 addition, the notice was published in the local
25 newspapers.

1 Now, today or tonight's hearing is the
2 first in a series of Energy Commission events that
3 will extend over the next six months. At the end
4 of the review period we'll issue a proposed
5 decision containing our recommendations on the
6 project.

7 The proposed decision will be based
8 solely on the record established during
9 evidentiary hearings. And the public will have an
10 opportunity to submit comments on the proposed
11 decision before it is acted on by the Commission.

12 To preserve the integrity of the
13 licensing process the Commission's regulations
14 expressly prohibit private contacts between the
15 parties and the Committee. This prohibition
16 against private communications is known as ex
17 parte rule.

18 All contacts between the parties and the
19 Committee regarding a substantive matter must
20 occur in the context of a public discussion such
21 as today's event; or in the form of a written
22 communication that is made available to the
23 public.

24 The ex parte rule requires full
25 disclosure to all participants of any information

1 that could be used as a basis for the decision on
2 this project.

3 The staff of the Commission will conduct
4 public workshops either in Vernon or by
5 teleconference over the next few months to provide
6 opportunities for the public to discuss
7 substantive issues with the parties and with
8 governmental agencies.

9 Communications between the parties and
10 the governmental agencies will also be summarized
11 in written reports, made available to the public.

12 Information regarding workshops, hearing
13 dates, and what-have-you, and other events in this
14 proceeding will be posted on the Commission's
15 website. That's always a good source for folks to
16 find out the status and what's going on with
17 regard to the project.

18 And with that I'm going to turn the
19 program now over to Ms. Gefter, who is the Hearing
20 Officer, who will conduct these hearings for us in
21 the future, even when I'm present.

22 HEARING OFFICER GEFTER: Before we begin
23 the actual hearing I wanted to ask the Public
24 Adviser, Roberta -- she will come forward and
25 explain to us the role of the Public Adviser.

1 And one of the things we want to make
2 very clear is that the application review process
3 is a public process. And members of the public
4 are encouraged to offer their views and to
5 participate in all levels of the proceeding.

6 The Committee invites public input on
7 any aspect of the proceeding. Roberta Mendonca,
8 if you can come forward and explain what the
9 Public Adviser's Office does, now is your turn.
10 Thank you.

11 MS. MENDONCA: Thank you very much, Ms.
12 Gefter and Commissioner Boyd. It is a pleasure to
13 be here this evening.

14 Essentially my remarks will be along two
15 lines. First, I would like to go through a very
16 brief presentation and overview of how the public
17 can participate in the Energy Commission's hearing
18 process. And then I would also like to report to
19 the Committee and to Commissioner Boyd what my
20 office has done to date in the siting case here in
21 Vernon.

22 This is my introductory slide and it
23 introduces me; I'm Roberta Mendonca. Don't worry
24 about Mendonca, most people don't get it right. I
25 do answer to Roberta. And I'm the Energy

1 Commission's Public Adviser, a job that is -- in
2 the statute and my role is to be of assistance to
3 members of the public who want to participate in
4 the siting case.

5 One of the things that my office does is
6 to make sure that there is a copy of the
7 application for certification, we call that the
8 AFC, in the local library.

9 And here, for you, should you want to
10 read what is contained in the application for
11 certification, you can find it in the Huntington
12 Park Library, which is 6518 Miles Avenue. And of
13 importance to you will be the library hours. This
14 is when you can get in to see it.

15 And we've also found that you can have
16 internet access, which is especially important if
17 you want to follow the case on the website. And
18 the telephone for the library, 323-583-1461.

19 In addition to the library locally, we
20 also have copies of the application for
21 certification in our library in Sacramento, the
22 Energy Commission's Library in Sacramento. And my
23 office will be glad to arrange for you to have a
24 loaner copy mailed to you if you will return it to
25 us when you are through.

1 I mentioned the website. In addition to
2 the application for certification, which is
3 available to you locally, there will be many
4 documents that are filed in this case. Those
5 documents don't appear in your local libraries,
6 but you would be able to, if the documents are
7 filed electronically, follow those documents on
8 the Energy Commission's website.

9 For the Vernon case you would go to
10 www.energy.ca.gov/sitingcases, and then
11 specifically add /vernon. The docket unit at the
12 Energy Commission is also available to assist you
13 getting documents, and my office is available to
14 any member of the public that would like to see
15 copies of documents.

16 Part of the process of participating at
17 the Energy Commission is figuring out who's
18 wearing which hat. This evening we have the
19 Commissioners present. This evening we're in an
20 informational hearing. And as Ms. Gefter
21 mentioned, all of our meetings are publicly
22 noticed. You have a sign-in sheet outside. If
23 you didn't get a notice for tonight's meeting, we
24 can arrange for you to get notices in the future.
25 You can also sign up on our website for electronic

1 notice, copies of the notices.

2 You're welcome to participate and
3 discuss the topics in the notice. But when you
4 come to a hearing you'll find it's a bit more
5 formal. The Committee holds hearings and
6 conference. Those meetings will be transcribed
7 and the public's participation will be slightly
8 more formal than the staff workshops.

9 The staff is charged to do an
10 independent analysis of the application for
11 certification and their workshop notices may be
12 for informational hearings, for data requests,
13 data response hearings, issue resolution workshops
14 or staff assessment workshops.

15 And you heard Commissioner Boyd mention
16 the term intervenor. So this is an appropriate
17 time to discuss the different types of public
18 participation.

19 The public, as I said, is always welcome
20 to come. There is a part of the program that the
21 public can make public comment. That means you
22 can come to the microphone, you can offer your
23 opinions, you can offer your thoughts.

24 You can also put all of that into
25 writing and submit it and it will be filed in the

1 docket.

2 Some members of the community decide
3 that they want to become a more formal participant
4 through the process of filing a petition to
5 intervene. And once you file your petition, when
6 the petition is reviewed by the Committee, if
7 approved you become a formal party called an
8 intervenor.

9 These are usually the questions people
10 have about intervention. Who can become an
11 intervenor. Usually it's people in the community
12 that we've heard this evening, although they've
13 not formally intervened, as local groups.
14 Actually a statewide organization of local offices
15 of Communities for a Better Environment. But
16 residents, neighbors also can intervene. You
17 don't have to have a special status other than
18 have an interest in the power plant siting case to
19 request to be an intervenor.

20 People always say, well, when do I have
21 to intervene. My advice is as early as possible.
22 That way you can be a full participant throughout
23 all of the case. There are deadlines, and it's
24 best to be in early rather than wait too late
25 because the case will not go backwards.

1 The responsibilities of the intervenor
2 to become a party, your responsibilities are just
3 as the other parties'.

4 I realize you're not ever going to be
5 able to read this slide. I only include it
6 because it gives you an idea that this is a sample
7 petition to intervene. It's one page, and it is
8 not complicated. My office would be glad to
9 provide you with that information. And, again, I
10 don't expect you to be able to read it, but only
11 for the purpose of showing it, and a petition to
12 intervene is not a complicated process.

13 Actually the benefits of intervening
14 overlap with the benefits of public participation.
15 On the first bullet, receiving all the filings in
16 the case, including the original application.
17 Even if you don't intervene, by being an
18 aggressive participant, you can obtain that, too.

19 Receiving all the notices of hearings
20 and workshops, again, you don't have to intervene.
21 You can sign up on the list to get notices of
22 hearings and workshops.

23 Also, to fully participate in the
24 obtaining of information from any party, this is
25 where public participation and intervention really

1 begin to differ. Because intervenors, as parties,
2 can ask data requests and can be asked to respond
3 to data requests.

4 You can formally file documents relevant
5 to the siting process including motions, petitions
6 such, objections and briefs. Members of the
7 public can offer comment and opinion, but they are
8 not -- they don't have the standing to file those
9 documents.

10 And, again, only intervenors and parties
11 can present evidence and witnesses at the formal
12 hearings, which is the decision-making process.
13 And at the formal hearing intervenors have an
14 opportunity to cross-examine witnesses and present
15 their own witnesses.

16 By way of summary, for your information,
17 this is my phone number. I'm available toll free
18 at 1-800-822-6228, and that's my email, pao,
19 stands for Public Adviser's Office, @energy.ca.us,
20 and again, the Energy Commission's website.

21 And at this time I'd like to summarize
22 what my office has been doing in the Malburg case.
23 First of all, we prepared a one-page project
24 summary, which is available to you on the entry;
25 it would be kind of a nice way to walk away with

1 one fact sheet for tonight's presentation. And it
2 has my contact information on it, as well.

3 And this year in this project we
4 actually had sent this to the City of Vernon, who
5 put much of this information in their newspaper
6 with a color photograph of this project. So we're
7 real happy about that cooperation.

8 In addition to the flyer, we prepared in
9 English and in Spanish, an announcement of
10 tonight's workshop. And that -- it was prepared
11 as a newspaper insert and was sent to The Wave,
12 4500 newspaper inserts for distribution on June
13 26th. And The Wave is a local paper in this
14 community. And the zip codes were selected to
15 target delivery for people most likely to read the
16 paper in this area.

17 The same insert was provided, 100
18 copies, to the local Chamber of Commerce. A
19 hundred copies to the City of Vernon. And 300
20 copies in bundles of 20 went home with the City of
21 Vernon's schoolchildren in a cooperative effort
22 with the school district.

23 Tonight, in order to assist the
24 Committee with public comment, we normally use
25 blue cards. But this evening we are adopting a

1 folksy adaptation --

2 (Laughter.)

3 MS. MENDONCA: So, if you would like to
4 make comment I'm going to hand you a piece of
5 paper that asks for your name and the notation
6 that you might like to make. And then I will make
7 sure that the Committee gets your names so that
8 you can be called on.

9 And, once again, my office is here to
10 serve members of the public. And I'm Roberta.
11 And thank you very much.

12 HEARING OFFICER GEFTER: Thank you very
13 much. We're going to go off the record now for a
14 minute.

15 (Off the record.)

16 HEARING OFFICER GEFTER: During the
17 course of today's hearing the parties, who are now
18 the applicant, the City of Vernon and the Energy
19 Commission Staff, will make presentations.

20 In this type of proceeding Energy
21 Commission Staff is an independent party. They
22 will explain that in their presentation to you
23 this evening. But, even though they are titled
24 Energy Commission Staff, the Committee sitting
25 here tonight will not be communicating with them

1 any more than we'll be communicating with the
2 applicant, other than in a public setting such as
3 this evening's hearing.

4 As we go forward tonight the City of
5 Vernon will describe the proposed project and
6 explain their plans for developing the project
7 site.

8 Then we would ask the Commission Staff
9 to provide an overview of the licensing process,
10 which in this case is a six-month process. And
11 we'll also ask staff to describe their role in
12 reviewing the project, which is an independent
13 assessment of the project.

14 After their presentations there will be
15 time for members of the public to ask questions
16 and make comments based on the presentations.

17 Then later on we will discuss scheduling
18 and other matters addressed in staff's issue
19 identification report, which is a report that
20 staff has made initially, looking at some of the
21 topics that may be at issue in this case. Copies
22 of that report are out on the table in the lobby.
23 And, again, Roberta has copies for anyone who
24 wants to see that.

25 At this point are there any questions

1 from the parties on the agenda for the evening?

2 If not, then we'll go right to City of Vernon and
3 ask you to please make your presentation for us.

4 Thank you.

5 MR. ABUEG: My name is Ramon Abueg; I'm
6 the Project Manager, and I'll go through some of
7 the details relevant to the project.

8 And along with this presentation, as
9 well, there's certain areas that our consultant
10 will also be providing some of their expertise.
11 So there'll be some combination here.

12 Anyway, let me start by describing to
13 you what the Vernon system or the Vernon
14 electrical system is. Vernon service territory is
15 very small. We have about 5.25 square miles of
16 territory.

17 And our customers are mainly industrial,
18 some commercial, and very very few residential.
19 We're approximately about 30 meters of
20 residential. And due to that we have what's a
21 very high load factor, a very good base for
22 electric power.

23 And we serve our facilities using our
24 current facilities now. We have two 5.5 Allison
25 gas turbines which are peaking units. And we have

1 also five diesel turbines that are classified as
2 emergency units.

3 Those diesels are about 1930s vintage;
4 we only operate them when there is a declared
5 stage alert from the ISO.

6 We also have five transmission lines
7 that's interconnected to the Southern California
8 Edison system. And we have a number of
9 distribution substations where we distribute
10 voltage to serve our customers at 7 kV, or 7000
11 volts, 16 kV and 66 kV.

12 The project, as was stated earlier, is a
13 134 megawatt combined cycle power plant which is
14 going to comprise mainly the power island of two
15 natural gas fired turbines which is going to be
16 provided by Alstom; two HRSGs or heat recovery
17 steam generator systems with supplemental duct
18 firing. Through that duct firing we get about 11
19 megawatts. That's part of the 134 megawatt total.

20 A catalytic reduction pollution control
21 system to help control the emissions. And one
22 steam turbine basically is at the back end that
23 helps us process the steam to help us generate
24 more power to get us up to the 134 megawatts.

25 The project or the plant will be used

1 for baseloading. We will use this plant basically
2 to provide low cost energy for the City of
3 customers, and this will help us control the costs
4 of power that we sell to our businesses that would
5 allow us or help us maintain the businesses that
6 are in Vernon. And at the same time help keep the
7 jobs in Vernon.

8 This plant is going to be one of the
9 most efficient plants in the state, if not in the
10 country. It has an availability factor of about
11 90 to 98 percent.

12 The project site is going to be at 2715
13 East 50th Street. It's an existing power plant.
14 It's surrounded by industrial and commercial land
15 uses. It's a very small area; it's about 3.4
16 acres.

17 The same land use, it hasn't changed;
18 it's been used as a generating plant or generating
19 site and a distribution site since the 1930s. To
20 be exact, about 1933.

21 We are not going to -- or the project
22 will not require any new transmission lines. We
23 are going to interconnect directly to the buss at
24 the existing Vernon substation.

25 The plant is going to use natural gas.

1 It's a clean burning fuel that helps us control
2 some of the emissions. And the water for cooling
3 is going to be provided by Central Basin Municipal
4 Water District.

5 And our AFC have identified no
6 significant impact on the environment.

7 This is a map of the plant that shows
8 you generally where the plant is. The plant is
9 going to be between Seville and Soto Street. And
10 the actual address is on 50th, just to the south
11 of Fruitland Avenue.

12 The site that I've highlighted there, is
13 the site where we're going to develop. Just to
14 the south of that is the existing building and
15 existing substation. Again, the interconnection
16 will be on that Vernon substation, which is on the
17 southeast corner of the property.

18 The Malburg Generating Station project,
19 or as you might hear us refer to it, the MGS, is
20 going to comply with all the LORS; that's the
21 acronym for laws, ordinances, rules and standards
22 that is required by the various agencies, local,
23 county, state and federal.

24 We are going to seek permit and
25 authorizations that are required before we start

1 construction of the project.

2 And as I stated earlier, the AFC or the
3 application for conformance that we submitted to
4 the Energy Commission has revealed no significant
5 impact on public health, as well as the
6 environment.

7 The City of Vernon will provide emission
8 offsets for all criteria pollutants in accordance
9 with applicable LORS of the South Coast Air
10 Quality Management District. What that means is,
11 let me go back and say, we also performed a health
12 risk assessment pursuant to rule 1401, which is
13 the new source review of toxics air contaminants.
14 And the OEHHA methodology, which is the California
15 Officer of Environmental Health and Hazard
16 Assessment, and the health risk assessment we
17 performed revealed that there are no health risk
18 impacts, or the health risk impacts are below
19 significant threshold. And there are no sensitive
20 receptors that will be adversely affected by the
21 project.

22 The air quality standards. The area
23 that we are in under the South Coast, or SCAQMD,
24 is considered an attainment area for the nitrogen
25 dioxide, NO₂, and sulfur dioxide, SO₂. And it's

1 nonattainment for carbon monoxide, the PM10s or
2 particulate matters that are 10 microns, the ozone
3 and the oxides of nitrogen.

4 To mitigate or to prevent any pollutants
5 into the air, this project is going to be using
6 the state of the art emission control technology.
7 Inside the turbine, itself, it's going to be
8 equipped with what's called a dry loNox in the
9 CTGs and the output out of the combustion turbine
10 is actually limited to 22 ppm for NOx.

11 And in combination with that, the HRSGs,
12 or the heat recovery steam generators, will be
13 equipped with SCR and CO catalyst that would
14 further minimize the output of the emissions for
15 NOx to 2 ppm; the CO to 2 ppm; and VOC, or the
16 volatile compounds down to 1.2 ppm.

17 So the plant is going to be using
18 natural gas, as well; and that, combined with the
19 best combustion practices, allows us to minimize
20 the SOx or the sulfur oxide emissions, as well as
21 the PM10 emissions.

22 We are required to procure the necessary
23 offsets from sources in order to mitigate some of
24 the pollutants that the plant is going to produce.
25 So the plant or the City is going to procure the

1 necessary offsets from either sources to reduce
2 the emissions within the same air quality basin,
3 or within the District.

4 We're going to be purchasing emission
5 reduction credits for CO, VOC, PM10. And we're
6 going to be, through the reclaim program or the
7 regional clean air incentives market, we're going
8 to be trading for NOx, or purchasing NOx, as
9 required.

10 And this table summarizes, and this is
11 further detailed in our application, how much of
12 the emission offsets or credits we have to
13 purchase in order to satisfy the requirements of
14 the air quality district.

15 For NOx, the number of pounds per year,
16 which is just for the first year of operation,
17 we're going to increase the emissions by 47,746
18 pounds. The CO will increase by 254 pounds. The
19 VOC by 108. PM10 by 162. And the SOx, there
20 won't be any -- we're exempted from this because
21 we're below the significance limit according to
22 the South Coast Air Quality Management District
23 rules.

24 The offset ratio, if you see on that
25 column where you see a 1.0 versus a 1.2, 1.0 is

1 the required emission that we have to purchase
2 from the open market; but if we purchase the
3 offsets from the South Coast Air Quality
4 Management District there's a multiplication
5 factor of 1.2. We actually have to increase the
6 offsets. I'm sorry, it's reversed.

7 If we purchase from the market we have
8 to do 1.2, but if we purchase from the District
9 it's only at a ratio of one-to-one.

10 The project is going to use the
11 continuous emissions monitoring system, which is
12 basically the system that we're going to use to
13 sample and analyze the emissions from the stack.
14 It's going to generate the data for compliance,
15 and that we'll be using to report to the AQMD.

16 And if we exceed the limits program it's
17 going to activate an alarm that tells us that
18 we're exceeding those limits. So this is what
19 we're going to use to monitor the emissions coming
20 out of the stack.

21 Here's a map. If you participated in
22 the tour earlier, this is basically the route that
23 we took showing where the project site is, as you
24 can see there in red. And the one that goes short
25 south to Fruitland Avenue on Seville is where the

1 new sewer line or the upgrade to the sewer line
2 and the new natural gasline will be constructed.

3 And if you follow, it's green on my
4 screen, it's highlighted in yellow on the screen,
5 going east on 50th, then going south on Boyle
6 towards Huntington Park, is where the new
7 reclaimed waterline is going to be constructed.
8 There's going to be a tie-in point in Huntington
9 Park for the reclaimed water.

10 So we're using natural gas to power the
11 plant. It's going to be supplied from an existing
12 transmission pipeline that goes north, east/west
13 on Fruitland Avenue. And that's where we're going
14 to tie in. And a new 1300 feet of pipeline will
15 be constructed. And that will go directly into
16 the site.

17 There will be some compressors at the
18 site to boost the pressure if the supply coming
19 from SoCalGas happens to fall below the required
20 operating limits of the turbines.

21 And for cooling, as I stated earlier,
22 we'll be using reclaimed water. And we have
23 received a will-serve letter from the Central
24 Basin committing that they will provide the water
25 that we'll need for the plant.

1 In order to do that the Central Basin
2 has to do some upgrades to their system. As I
3 stated earlier, there will be a new pipeline,
4 about 1.8 miles long. And somewhere in the
5 Central Basin system there'll be a booster pump
6 and a pressure reducing station that will be
7 required in order to help us get the water to the
8 site.

9 At the site there's going to be a
10 480,000 gallon tank that, when filled, or if we
11 lose service from Central Basin, we have capacity
12 to support the plant for approximately eight hours
13 at full load without requiring any water.

14 For wastewater discharge there will be
15 discharges from the cooling tower and the HRSG
16 from the blowdown; from the equipment drains; and
17 when we do the washing of the combustion turbines.

18 There will be clarifiers in all the
19 water separator at the site that basically
20 eliminates or allows us to separate the oil from
21 contact water, so that only stormwater will be
22 going down the drain.

23 There will be a required upgrade of the
24 existing sewer line on Seville, again
25 approximately about 1300 feet. It's the same

1 linear as the natural gas that goes up to
2 Fruitland Avenue. And discharges will go to the
3 sanitation districts of L.A. County.

4 With this, I'm going to ask our
5 consultant, Jay Officer, to talk about the NPDES
6 requirements for discharge for wastewater and
7 stormwater discharges.

8 MR. OFFICER: Thank you, Ramon. I'd
9 like to give a summary of the stormwater and
10 industrial wastewater discharge permitting
11 requirements and how the City is meeting those
12 requirements with this project.

13 The state has NPDES permitting
14 requirements, which is the National Pollution
15 Discharge Elimination System permitting. And
16 there are two general permits, for the
17 construction activities, and also for industrial
18 activities.

19 What the City has done, they've
20 submitted a notice of intent which, with their
21 appropriate application fee, and that is to gain
22 coverage under the general permits.

23 Once that was sent in the State Water
24 Resources Control Board sent back a waste
25 discharge identification number for both the

1 construction and operations. The City was then
2 required to prepare a stormwater pollution
3 prevention plan, and also a monitoring program.
4 And this is to insure that there will be no
5 potential pollutant sources that stormwater runoff
6 could pick up and transport offsite.

7 And also the monitoring program would be
8 sampling and inspections of the site for the best
9 management practices that are employed.

10 The standard urban stormwater mitigation
11 plan, the SUSMP, that's a requirement that with
12 new projects, redevelopment projects, I think
13 there's about nine different types of projects
14 that fall under the SUSMP, you need to retain at
15 least three-quarters of an inch of the first flush
16 onsite from a storm event.

17 The City is going to be putting in two
18 14,000 gallon retention basins; one on the west
19 side, and one on the east side, to contain that
20 amount of rainfall.

21 And now those on the tour, you can see
22 the site is fairly flat, so there's not going to
23 be a lot of runoff coming off the site. A lot of
24 that area will have up to six inches of gravel on
25 it. So with this gravel, that will also slow down

1 the velocity of runoff from the site, and promote
2 infiltration into the ground.

3 Now, industrial wastewater discharges,
4 that's a dual permit. Industrial waste that is
5 discharged in the L.A. County area, the industrial
6 waste first goes to local laterals, which are
7 normally owned by the City. And then they go to
8 the large trunk sewers that are owned by the
9 County Sanitation Districts of L.A. County. So
10 both agencies have to give approval on this permit
11 before it is issued.

12 The City has prepared and submitted an
13 industrial waste permit to the City of Vernon.
14 The County Sanitation District has issued a
15 temporary permit, industrial waste permit, to the
16 power facility while pending the approval of the
17 permit, itself.

18 Now, the facility will meet the
19 pretreatment requirements that the County has set
20 forth; and also the federally regulated industry,
21 40 CFR 423, for steam generating electric
22 facilities. By meeting these requirements that
23 will allow the County Sanitation Districts to meet
24 their NPDES permits, so their discharge to the
25 ocean will not be in violation of their permit.

1 And I'll turn it back over to you,
2 Ramon.

3 MR. ABUEG: The electrical
4 interconnection. As I stated earlier there won't
5 be any transmission lines that will be required
6 for this project. It will be connecting directly
7 to the buss on the Vernon substation.

8 We performed a system impact study
9 through a third-party consultant, and identified
10 that there will be no significant impact on
11 transmission or transformer systems. And what
12 that means is the Edison or the DWP area will not
13 have to do any modifications in their system in
14 order to accommodate this project.

15 There will be some minor increases
16 in fault duties on some of the breakers. Southern
17 California Edison is currently doing its own study
18 in order to identify how many of those breakers
19 will need to be replaced due to this project.

20 In the Vernon system, itself, all our 66
21 kV breakers need to be replaced because of the
22 fault duties will be higher than what the breakers
23 are rated for.

24 And let me take you to what the site
25 would look like when we're done with it. This is

1 a view coming from Soto Street, so this is looking
2 west towards the power plant. And you see the
3 major components. The highest component being the
4 HRSG or the H-R-S-G, the heat recovery steam
5 generator, which is about 110 feet. And that will
6 be the most visual component of the power plant.

7 And that picture is also here. We
8 pointed -- it's there if you want to admire it
9 later, you're more than welcome to do that.

10 More details, also, is available. We
11 have the general arrangement plan here if you want
12 to look at what this look like in more details, up
13 here on the board.

14 And just to show you our consultants at
15 Carter-Burgess has generated a 3-D animation of
16 what the plant would look like. So, let me take
17 you, this is about a few-second tour of what the
18 plant looks like, looking at that angle from Soto
19 Street. It's called a 3-D fly-around, basically
20 simulating taking it from the footprint of the
21 equipment that are being supplied.

22 That's the cooling tower that we're just
23 passing through. And the line that you see is the
24 boundary of the existing building, or the control
25 center of the power plant. And so we come around

1 the cooling tower, you'll see the 480,000 gallon
2 tank that I spoke about for the reclaimed water.
3 And the two buildings that we're approaching are
4 some control centers for electrical controls and
5 three transformers that we're using to step up the
6 power from the generator to the 66 kV system.

7 And having looked at what the site would
8 look like, the Energy Commission Staff has
9 identified one key observation point coming from
10 Huntington Park on 58th Street between Seville and
11 Soto. And that's the relative location of the
12 site we're identifying as KOP number one, or key
13 observation point number one.

14 The existing view from the site for
15 reference I guess we took the car to make sure
16 that it didn't move when we did the modeling.
17 Anyway, what you would see looking at, if you look
18 at where there power pole is, just to the left.

19 Our visual consultant did a modeling of
20 the plume as to what those people from that site
21 would see once the plant is built. And I don't
22 know if you notice the change there, this is the
23 post-MGS.

24 What you would see just to the right of
25 the power pole is the water cooling plume, which,

1 I think, is a maximum height of about 225 feet, is
2 what you would see from that site.

3 So, here's the site before, and here's
4 the site after.

5 So, currently where we are with the
6 project, in the air quality we have submitted all
7 the permits to the South Coast Air Quality
8 Management District. They have issued a letter of
9 completeness.

10 We have purchased some of the credits
11 that's required for the project. We have
12 purchased emission credits for NOx, for VOC, and
13 currently in negotiation for CO and PM10.

14 We have the power island, or the major
15 equipment, the generators have been purchased.
16 Thirty percent of the engineering has been
17 completed.

18 And we are actively negotiating the EPC,
19 which is the part to construct the actual power
20 plant. In that EPC we are requiring that union
21 labor be specified. We're going to require the
22 project labor agreement be signed by the EPC
23 contractor as a requirement for the contract being
24 signed.

25 So, to summarize, the MGS project will

1 be built on existing site. It has the same land
2 use. And the plant will be used to serve the
3 Vernon businesses so that we can offer them
4 competitive energy prices. And that helps this
5 businesses support the employment for the
6 surrounding communities in Vernon.

7 We will not have any significant impact
8 of public health or to the environment. And we
9 will comply with all required LORS, or laws or
10 orders, rules and standards, regulations. I
11 struggle with that all the time.

12 Basically this project, we're ready to
13 build to serve our customers and the community.

14 MS. TOWNSEND-HUGH: Ramon, I have one
15 question. Is Edison doing a system impact study
16 or are they just looking at breakers on the
17 system?

18 MR. ABUEG: They are doing two studies,
19 as a matter of fact. It is the system impact
20 study as well as the facilities study. The system
21 impact study consists of the short circuit as well
22 as the power flow study, and the results of that.
23 They will do a facility study to identify what
24 breakers are affected by this project.

25 MS. TOWNSEND-HUGH: Okay, thank you.

1 HEARING OFFICER GEFTER: What's the
2 timeline on that?

3 MR. ABUEG: My discussions with them
4 last Thursday is they will try and have the short
5 circuit study completed by July 10th; and the
6 other study by July 15th.

7 HEARING OFFICER GEFTER: At this point
8 we'll ask staff to make a presentation.

9 MR. PFANNER: Thank you very much. I
10 will try to make this brief, but thorough. This
11 is the issues area where we're looking at the
12 process involved in the Energy Commission's review
13 of an application for certification, an AFC.

14 In case you're wondering the 01-AFC-25
15 is the CEC's tracking number for the project.

16 HEARING OFFICER GEFTER: Mr. Pfanner,
17 would you please just state your name for the
18 record.

19 MR. PFANNER: I'm sorry, Bill Pfanner,
20 Project Manager.

21 HEARING OFFICER GEFTER: For the CEC
22 Staff.

23 MR. PFANNER: Yes.

24 So the purpose of the siting process is
25 to insure that a reliable supply of electric

1 energy is maintained at a level consistent with
2 the need for such energy for protection of public
3 health and safety, and for the promotion of the
4 general welfare and the environmental quality
5 protection.

6 So we have Public Resources Code 25001
7 giving us our purpose and our mandate for our
8 review process.

9 As Ms. Gefter had described the
10 separations of powers here, there is a five-member
11 decision-making body, the Commissioners. There
12 are two members that are on the project Siting
13 Committee, Commissioner Boyd and Commissioner
14 Pernell.

15 The Hearing Officer, Susan Gefter,
16 overseeing the proceedings. And under that
17 umbrella comes the applicant, which is the City of
18 Vernon, the local, state and federal agencies, the
19 Energy Commission Staff, which is led by me, as
20 the Project Manager, the intervenors and the
21 public, and their interface with the CEC's Public
22 Adviser, Roberta Mendonca.

23 So our process is determined that it
24 would be permitting authority for thermal power
25 plants of 15 megawatts or greater, and the related

1 facilities. So it's not just the footprint of the
2 facility, but any transmission lines, water supply
3 systems, natural gas pipelines, water disposal
4 facilities and access roads. Hence, on our site
5 view, we looked at the pipelines for water that
6 would be involved in the project.

7 We also are involved closely with
8 coordinating with the federal, state and local
9 agencies. And we take the lead agency role for
10 the California Environmental Quality Act, CEQA,
11 purposes. And critical to the process is the
12 public involvement process, which we have talked
13 about a little.

14 So the local, state and federal
15 coordination process is an integral part. We have
16 been in close communication. Staff works with the
17 local, state and federal agencies. We send them
18 copies of the AFC. We send them notifications.
19 We work with them. Such examples is the City of
20 Vernon, their staff, various L.A. County
21 departments, the Air Quality Management District,
22 South Coast Air Quality Management District, which
23 is going to be a key player here.

24 And if there are biological resources
25 you get into the Department of Fish and Game, et

1 cetera.

2 On the federal level the EPA, Army Corps
3 of Engineers, U.S. Fish and Wildlife, all key
4 players that staff coordinates with and works with
5 throughout the review process.

6 So this is a CEQA-equivalent process.
7 We do incorporate within the CEC's review the CEQA
8 requirements. And it is a full review of the
9 environmental impacts. Our analysis is subject to
10 the principles of the California Environmental
11 Quality Act, and we review for compliance with all
12 applicable regulations.

13 We also have an engineering analysis
14 that looks at the more physical issues in terms of
15 the energy aspects of it, and the construction
16 aspects of it. And there are a great emphasis put
17 on public involvement with the public workshops
18 and hearings involved.

19 And then the documentation that is the
20 final product that is produced through the process
21 we will be developing a preliminary staff
22 analysis, which is a PSA; a final staff
23 assessment, the FSA; the Presiding Member's
24 Proposed Decision, the PMPD; and the Commission's
25 final decision.

1 Now, we do a comprehensive environmental
2 review that breaks down into environmental and
3 engineering categories. Environmental standard
4 issue, air, biology, cultural; I think you're all
5 pretty familiar with those type of issues.

6 But there also is the engineering aspect
7 of it which I think might be a little more
8 important to stress here, the energy efficiency of
9 the project, the facilities design, reliability
10 and transmission system engineering.

11 All looked at as part of our
12 environmental review process.

13 So, as an overview, there's a three-step
14 licensing process. The first is data adequacy,
15 and that is the process whereby the staff reviews
16 the application for meeting the requirements to
17 deem it complete, and to determine whether or not
18 the application is allowed under a six-month or a
19 12-month process.

20 The six-month process has far stricter
21 requirements and predominately requires that those
22 permits that will be required for the permitted
23 process be either obtained or substantially in
24 process to meet the six-month requirement, because
25 it is such a shortened process.

1 We deemed the application to be complete
2 on May 8th. And that began the staff discovery
3 and analysis process, which is where we are right
4 now.

5 Staff prepared a data request
6 identifying areas, once the plan was adequate,
7 that we would like to get additional information.
8 The applicant has provided that information back
9 to us.

10 Earlier today at 1:00 we conducted the
11 workshop to review that information and have the
12 interface between the CEC Staff and the
13 consultants to answer an informational questions
14 that may still be out there.

15 And the next step would be, then, the
16 staff's preparing the staff assessment, the PSA,
17 and the final staff assessment.

18 There are evidentiary hearings and
19 decisions on the process. The Committee holds
20 evidentiary hearings. The Committee produces the
21 PMPD. There are comments on the PMPD, and the
22 revised PMPD, and it goes before the full
23 Commission for the decision.

24 So, along the way there are a number of
25 steps where public involvement is available and

1 encouraged to get complete involvement from the
2 public, from local, state and federal agencies,
3 and incorporate that into the process.

4 So there are two key components of the
5 conclusion process. The two main features of
6 staff's analysis and the final decision of the
7 Energy Commission. And that's to determine if the
8 proposal complies with laws, ordinances,
9 regulations and standards, or the LORS. Also to
10 identify and assess project-related impacts.

11 So determine is it compatible and
12 complies with LORS, and are there any
13 environmental impacts we need to identify. And
14 those would be to identify the issues, to evaluate
15 alternatives, to identify mitigation measures and
16 identify recommended conditions of certification
17 to mitigate any impacts that may be identified.

18 The siting process is a very public
19 oriented process. We have public workshops and
20 hearings. There is notice provided 10 to 15 days
21 in advance of the hearings. Mailing list to
22 agencies, property owners and the public. The
23 community outreach as was identified before where
24 there are flyers, newspapers, schools, various
25 ways that the public is encouraged to participate

1 in the review process.

2 And the information is provided in a
3 number of locations where people can obtain it.
4 It's in the local libraries, the Energy Commission
5 Libraries; we do have a website, and this address
6 is on the handout if you don't want to jot it down
7 right now. The handouts are available at the
8 door. And then information is also available from
9 the dockets unit of the Energy Commission.

10 And then critical people to identify in
11 the process here. Myself, the Project Manager.
12 Again you can pick up the handout; it gives my
13 phone number and my email at the Energy
14 Commission.

15 Susan Gefter, as the Commission's
16 Hearing Officer, with the phone number where she
17 can be reached. And then Roberta Mendonca, as the
18 Public Adviser, with her contact information.

19 Right now, following the format here, I
20 think we should ask if there are any public
21 comments on anything I've identified to this
22 point.

23 HEARING OFFICER GEFTER: Right. At this
24 point we'd like to ask for public comment on the
25 process, itself. And then after Mr. Pfanner talks

1 about the issue identification report, we can talk
2 about some of the issues. At this point are there
3 any questions about the process by which this
4 project will be reviewed?

5 If you'd come forward to the microphone.
6 Okay, no one has indicated they have questions at
7 this point.

8 So, we can go on and talk about the
9 issue identification report.

10 MR. PFANNER: Okay. As I mentioned,
11 staff identified the application was complete and
12 prepared the data request. And has focused in on
13 some issues.

14 Now, the purpose of the issue
15 identification report is to inform participants of
16 potential issues that we're seeing these issues
17 exist, to have an early focus, so as early in the
18 process as possible we can identify these issues.

19 And it's important to note that it's a
20 snapshot in time in that we may not have
21 identified all the issues. As we delve into
22 various areas, new issues may come up. And
23 because we are dealing with all that we know at
24 this point, it's important to note that other
25 issues may come up and that is open to public

1 input, also. If there are issues that the public
2 feels are not being addressed or should be
3 addressed, this would be the mechanism to do it.

4 The criteria for the issues
5 identification was that impacts that possibly
6 would not be able to be mitigated. We wanted to
7 identify anything like that. Any noncompliance
8 with LORS. Any potentially contentious issues.
9 Or any potential impacts to the schedule. So
10 those were the four criteria that we used in
11 preparing our issue identification report.

12 And at this time the staff had focused
13 it down primarily to two issues. The first one
14 being air quality, that there are concerns about
15 the secondary PM10 formation. And there are some
16 concerns about obtaining information in sufficient
17 time to process under the six-month schedule.

18 We did have the workshop earlier today
19 where there was a good deal of dialogue between
20 the consultant and the staff, discussing the
21 secondary PM10 formation. We did discuss the
22 schedule also. And I believe that those issues
23 are being worked out.

24 We do have technical staff here if there
25 is a need for it tonight. But at this point we're

1 just identifying that it's an issue and that
2 dialogue is going on to resolve the issues.

3 The second major issue identified was
4 the transmission system engineering, TSE. The
5 concern there was schedule. There seems to be
6 that we will be getting that information in the
7 next few weeks, and we will be able to function
8 under the schedule.

9 And my last is schedule, but before we
10 go into that, there were two other areas that had
11 been discussed. They didn't show up on the issue
12 identification report, but I did want to touch on
13 them here.

14 There was some concern about
15 environmental justice, and the staff considers
16 environmental justice on every impact category.
17 And it's important to note that staff is very
18 mindful of the environmental justice process in
19 its power plant review. And it provides notice
20 for the public workshops, and it encourages as
21 much public involvement as possible. And by
22 encouraging the public participation at workshops,
23 and by doing a thorough impact analysis in the
24 multiple technical areas, we include identifying
25 appropriate mitigation measures to reduce any

1 potential significant impacts to a less than
2 significant level.

3 So, environmental justice is a
4 consideration here. It will be addressed through
5 the public review and participation process.

6 And the fourth category that there was
7 discussion that came up was the stormwater
8 discharge plan. Again, at the workshop today
9 there was a lot of good dialogue between staff and
10 the consultant. We had a presentation here by the
11 water people. And I believe that we are heading
12 towards that issue being worked out.

13 So that brings us to the schedule. And
14 we do have a couple of issues here that are
15 critical to the schedule proceeding. We are,
16 right now, in the process of conducting the
17 informational hearings and the site visit on July
18 1st, and we are getting the responses back from
19 local, state and federal agencies.

20 The PDOC due from the South Coast Air
21 Quality Management District, that we have been
22 told different dates when we are going to get it.
23 We were given a best case and a worst case kind of
24 scenario. Hopefully it will be a best case.

25 I did plug in the worst case number

1 here, thinking how that would affect our schedule.
2 And that would be at the latter part of this
3 month.

4 We are also still waiting for the
5 transmission system impact study, which again, we
6 are expecting it to be within the next few weeks.

7 But those are critical factors to our
8 preliminary staff assessment. Staff needs a
9 certain amount of time between when they get the
10 technical information and when they generate the
11 preliminary staff assessment.

12 So those factors there are making me
13 look at a date of August 19th preliminary staff
14 assessment to be filed, which will be followed by
15 an August 29th staff assessment workshop; local,
16 state and federal agency decision determination;
17 the FDOC September 13th. Final staff assessment
18 on September 23rd.

19 And I don't mean to reiterate the dates
20 here, but following this program we would be
21 looking at a December 3rd final Committee
22 decision, which would be a seven-month process.
23 But, again, it is determined on our getting the
24 information from others. And I felt it was
25 probably prudent to give the Commission a schedule

1 that looked at a more worst case scenario rather
2 than a best case scenario.

3 So our hope is we might be able to
4 tighten the schedule a bit, but this was kind of
5 our realistic assessment.

6 HEARING OFFICER GEFTER: And the
7 schedule you're discussing today is different from
8 the one that was attached to the issue
9 identification report?

10 MR. PFANNER: That is correct; that is
11 as we found when we were going to be getting
12 information, the schedule pushed out.

13 HEARING OFFICER GEFTER: And does the
14 applicant have any comment on the proposed
15 schedule at this point?

16 MR. ABUEG: No.

17 HEARING OFFICER GEFTER: No, okay. I'd
18 like to ask the representatives from the Air
19 District to, if you could, come forward and
20 confirm the dates that you anticipate the PDOC
21 will be available, and also talk to us a little
22 bit about the offset issue that was raised both by
23 the applicant and staff.

24 I don't know which representative from
25 the Air District could speak to those questions,

1 but please come forward as a panel, if you could.

2 We'll go off the record.

3 (Off the record.)

4 HEARING OFFICER GEFTER: Please state
5 your name.

6 MR. YEE: Yes. Good evening. My name's
7 John Yee, last name is spelled Y-e-e. I am a
8 Senior Engineer with the Air Quality Management
9 District.

10 You had a comment on whether or not the
11 AQMD would be able to meet the schedule for the
12 July 31st PDOC date. In talking with my engineer,
13 although we have many different priorities, we're
14 attempting to meet this date. From the best of my
15 knowledge I think we can meet this date.

16 Although we haven't finished our final
17 review of the project, we may have some additional
18 questions of the applicant. And based on that, it
19 may take additional time.

20 HEARING OFFICER GEFTER: What would be
21 the areas of concern where you might have
22 additional questions?

23 MR. YEE: I haven't actually reviewed
24 the entire process. My engineer has reviewed it
25 already. We do take a look at, like we said, we

1 do take a look at the modeling. We do take a look
2 at information which needs to go to the EPA for
3 them to take a look at.

4 As we get comments back from these other
5 sectors, other departments of our District, we may
6 have additional comments for the applicant that
7 they need to answer.

8 HEARING OFFICER GEFTER: Could you
9 answer some questions about the offset issues,
10 because that was raised both by staff and the
11 applicant in terms of the process of how and when
12 they will get those offsets settled?

13 MR. YEE: I would like to. I wasn't
14 here at the data -- at the meeting before, that
15 occurred at 1:00.

16 HEARING OFFICER GEFTER: The workshop
17 this afternoon?

18 MR. YEE: The workshop, right. I
19 haven't had a chance to review, actually since I
20 wasn't there I wasn't aware of the questions that
21 were actually asked.

22 I really can't give a comment at this
23 time.

24 HEARING OFFICER GEFTER: Okay, thank
25 you. Any of your colleagues who might have been

1 at the workshop?

2 MR. YEE: No, they weren't there, also.

3 HEARING OFFICER GEFTER: All right.

4 PRESIDING MEMBER BOYD: If I could ask
5 one question. The issue the staff brought up
6 about secondary PM10 formation.

7 Do you see that as a significant issue
8 or just an issue you think you folks can handle?

9 MR. YEE: Once again, since I wasn't at
10 the information -- the data hearing, I can't
11 answer that.

12 PRESIDING MEMBER BOYD: Okay.

13 HEARING OFFICER GEFTER: We anticipate
14 there will be a workshop, an air quality workshop
15 with the Air Quality District once the PDOC has
16 been issued. We anticipate that staff would
17 conduct that workshop.

18 Mr. Pfanner is nodding yes. So, we'll
19 look for that workshop, you know, late -- I guess
20 early August, if the PDOC is issued in late July.
21 Or somewhat, you know, we will basically base it
22 on whenever the PDOC is issued.

23 At this point are there any questions
24 from anyone in the audience about the air quality
25 issues? Perhaps while we have our representatives

1 here from the District, you can ask questions that
2 they can try to answer.

3 MR. YEE: Thank you.

4 HEARING OFFICER GEFTER: Thank you.

5 With respect to the environmental justice issue
6 that you mentioned, Mr. Pfanner, could you give us
7 some sort of background as to what the issues
8 might be? I understand there is a large minority
9 and low income population at Huntington Park,
10 which is adjacent to the City of Vernon.

11 MR. PFANNER: I'm just looking at Dale
12 Edwards here, because he is our staff person that
13 will be in charge of that.

14 HEARING OFFICER GEFTER: Okay, just a
15 quick summary, Mr. Edwards, would be fine. State
16 your name for the record.

17 MR. EDWARDS: Dale Edwards with the
18 Energy Commission. The area, as you just
19 described, Ms. Gefter, is largely people of color;
20 the percentage something greater than 90 percent,
21 as I recall. I don't have a copy of any materials
22 with me today to show or discuss.

23 Largely, when you start talking about
24 environmental justice impacts, what you're really
25 talking about is impacts in other technical areas,

1 such as air quality or public health or traffic
2 and transportation, even noise and some other less
3 obvious ones, such as visual resources.

4 We have to do our analysis of the
5 individual factors, or the individual technical
6 areas through the process of the analysis phase to
7 even know whether we have any kind of an issue
8 under CEQA before we start looking at whether that
9 might imply some sort of an environmental justice
10 impact.

11 So we're a little early in the process
12 to consider that. We do have a couple of items
13 recognized as issue areas in our issue report so
14 far, air quality being one. But whether that
15 remains an issue that's unmitigated to the point
16 that we have a remaining significant impact, that
17 can't be answered at this time.

18 HEARING OFFICER GEFTER: Thank you. All
19 right. I'm going to give everyone a last chance,
20 if you have any comments or questions. Otherwise
21 we're going to wrap up.

22 And what the next step is the Committee,
23 those of us sitting here, will be issuing a
24 Committee scheduling order. And that would be the
25 schedule that the parties will follow unless it is

1 otherwise modified.

2 And at this point we will most likely
3 base our schedule on the schedule that Mr. Pfanner
4 put up on the board for us to look at, with
5 perhaps some additional issues that we would like
6 to see addressed.

7 You know, parties may comment on that
8 schedule once we issue it. It will come out in
9 the next couple of weeks.

10 If there are any other comments, I'll
11 give you a last chance. Otherwise, we want to
12 thank both the Police Chief and the Fire Chief for
13 attending tonight. We appreciate your support and
14 your assistance to us this afternoon during the
15 site visit.

16 Commissioner Boyd, do you have any final
17 comments?

18 PRESIDING MEMBER BOYD: No, I'd just
19 like to add my thanks to that of the Hearing
20 Officer, Ms. Geftter. I appreciate the courtesies
21 extended us by the City today. Look forward to
22 working with you all through this process.

23 I have a keen interest in all the
24 issues, perhaps an especially keen issue in the
25 air quality issue, and my friends at the South

1 Coast, having served 15 years as the Executive
2 Director of the State Air Resources Board, I like
3 to follow air quality issues. It's hard getting
4 away from them. But I also have a lot of
5 confidence in the South Coast District to take
6 care of this issue.

7 So, again, I look forward to working
8 with you through this process. And hopefully it
9 can be a smooth process and we can resolve any and
10 all citizen and Energy Commission concerns.

11 Thank you, Ms. Gefter.

12 HEARING OFFICER GEFTER: Okay. Thank
13 you very much. The hearing is now adjourned.

14 (Whereupon, at 8:07 p.m., the hearing
15 was adjourned.)

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CERTIFICATE OF REPORTER

I, JAMES A. RAMOS, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Hearing; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 6th day of July, 2002.

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